

TECHNICAL MEMORANDUM

Utah Coal Regulatory Program

November 17, 2006

OK

TO: Internal File

THRU: Wayne Hedberg, Permit Supervisor, Project Manager *-DWH*
Peter H. Hess, Environmental Scientist/Engineering, Team Lead *PHH by an*

FROM: Wayne H. Western, Environmental Scientist/Engineering *WHW*

RE: Electrical Substation Repair and Upgrade, Canyon Fuel Company, LLC, SUFCO
Mine, C/041/002, Task ID #2666

SUMMARY:

On October 6, 2006, the Permittee submitted an application to upgrade an existing electrical substation. This memo deals with the bonding issues.

TECHNICAL ANALYSIS:

RECLAMATION PLAN

BONDING AND INSURANCE REQUIREMENTS

Regulatory Reference: 30 CFR Sec. 800; R645-301-800, et seq.

Analysis:

Determination of Bond Amount

The Permittee met the minimum requirements for this section. The Permittee provided the Division with detailed reclamation cost estimate for the modifications to the substation.

TECHNICAL MEMO

Findings:

The Permittee met the minimum requirements of this section.

RECOMMENDATIONS:

The Division should approve the amendment.